

Mr. Krishnan Nair also moved that, in accordance with the amendment already carried, the words "for such action as such authority may deem fit" be substituted for the words "with a view to the cancellation of such license by the Division Peishkar or such authority, as the case may be".

Seconded by Mr. Subba Iyer.

Carried.

Mr. Kesava Pillai proposed that the following be inserted as sub-section (2):—

"The Division Peishkar or such authority as the case may be, shall thereupon summon the holder of the license, record and consider any objection which he may urge against the cancellation of the license, and shall, when the cancellation is directed, state in writing his reasons for doing so."

The President observed that the procedure above indicated was hardly necessary, as a person judicially convicted would have had ample opportunities of defending himself before the Court which tried and convicted him.

Resolved accordingly that the addition suggested was unnecessary.

Section 18.

Mr. Krishnan Nair proposed that the words "direct the cancellation of" be substituted for the word "cancel" in line 5 of sub-section 2.

Seconded by Mr. Mahadeva Iyer.

Carried.

Mr. Kesava Pillai proposed that the two following clauses contained in the draft Bill be inserted as sub-sections 2 and 3, respectively, of Section 18:—

"(2) The Division Peishkar to whom any arms or instruments are sent under sub-section (1), shall summon the owner if known; and if the owner appears and claims them at any time within one year from the date on which they were received in the office of the Division Peishkar, the Division Peishkar shall hear him, and may, if satisfied, after such enquiry as he thinks fit, that there was any such intention as aforesaid, cancel the license (if any) of the owner."

"(3) Any arms or other instruments sent to the Division Peishkar under sub-section (1), shall, if the owner does not appear and claim them within the period fixed by sub-section (2), or if possession without a license was illegal and the owner fails to produce the necessary license or such license is cancelled as afore-said, be confiscated."

The President observed that it was inexpedient to postpone the enquiry for such a long period as one year and that the addition of the above provisions would result in a lot of space in the Division Peishkar's office being taken up by such arms and instruments, which would themselves get rusty and absolutely useless.

The Council resolved that the addition proposed by Mr. Kesava Pillai was not necessary.

The representation made at the last Assembly by Mr. A. J. Wright was then read out by the Secretary, and it was, by the direction of the Council, recorded.

Mr. Subba Iyer then moved that the Bill thus amended by the Council be read again on a future day of which due notice should be given.

Seconded by Mr. Mahadeva Iyer.

Carried.

THE CO-OPERATIVE SOCIETIES BILL.

Mr. Subba Iyer moved that the Select Committee's report on the Co-operative Societies Bill be taken up for consideration.

Seconded by Mr. Aiyappan Pillai.

Carried.

Section 2.

Mr. Sessa Iyer moved that the word "or" be substituted for the word "and" in line 7 of Clause (c).

Seconded by Mr. Mahadeva Iyer.

Carried.

Section 4.

Mr. Krishnan Nair said that the wording of Clause (1) of the proviso was ambiguous and he proposed that the words "a member is" in line 2 be omitted and that the words "is a member" be inserted in line 3 of the said Clause between 'Society' and 'shall'.

Seconded by Mr. Mahadeva Iyer.

Carried.

Section 6.

In accordance with the amendment made in Clause (1) of the proviso to Section 4, Mr. Parameswaren Pillai moved that the words "a member is" in line 2 be omitted and that the words "is a member" be inserted in line 3 after the word "society."

Seconded by Mr. Mahadeva Iyer.

Carried.

Section 9.

Mr. Sesha Iyer said that the object of the Bill, as stated in its Preamble, was to promote the formation of co-operative societies, and that that object was likely to be defeated by the unconditional discretion vested by the Section in the Registrar in the matter of registering a society. He, therefore, proposed that the words "if he thinks fit" in lines 6 and 7 be omitted.

The President observed that such a discretionary power was very necessary and it was being exercised by the Registrar of Co-operative Societies in Madras.

Mr. Krishnan Nair said that the words "if he thinks fit" were only explanatory of the word 'may'.

After some discussion, the Council resolved that the amendment was unnecessary.

Section 12.

Mr. Sesha Iyer pointed out that the wording of the Section involved a contradiction in terms, as it enacted that a member of a registered society could not exercise his rights as such member, unless the conditions specified in the Section were fulfilled.

Mr. Sesha Iyer, therefore, moved that the words "of a registered society" in line 1 be removed from the place and inserted after the word "member" in line 3, and that the word "person" be substituted for the word "member" in line 1.

Seconded by Mr. Mahadeva Iyer.

Carried.

Section 14.

Mr. Sesha Iyer stated that the condition in Clause (b) of sub-section (2) prohibiting alienation by a member of his share capital, except in favour of the society or of a member, would have the effect of converting, contrary to the expressed object of the Bill, the co-operative society into a close corporation, and he proposed that the words "to the Society or" in line 2 be omitted.

The President said that such a condition was essential to safe-guard a society with unlimited liability.

After some discussion, Mr. Sesha Iyer withdrew the amendment proposed by him.

Section 17.

Mr. Mahadeva Iyer proposed that the following be added at the end of sub-section (1), as it was not desirable to pay the auditor out of the funds of the Society:—

"No charge shall be made in respect of any audit made under this Section."

Seconded by Mr. Krishnan Nair.

Carried.

Section 19.

Mr. Sesha Iyer pointed out that, while in Clause (a) a time limit of eighteen months was fixed for the enforcement of a demand by the society against a member in respect of the supply of seed or manure, no time limit was prescribed in Clause (b) in reference to a demand in respect of the supply of cattle, fodder for cattle, &c..

The President observed that, while money spent in the supply of seed might, in the ordinary course, be recouped from the yield of the land within a period of eighteen months, at the most, from the date of such supply, such speedy realisation could not always be expected in the case of money spent in the supply of cattle, or of agricultural or industrial implements or machinery. He, therefore, suggested that a longer period than eighteen months be prescribed in the latter case.

The Council resolved that the words "at any time within three years from the date of such supply or loan" be added at the end of Clause (b).

Section 22.

Mr. Parameswaren Pillai proposed that the words "in the capital" be inserted between the words "interest" and "of" in line 4 of sub-section (1).

Seconded by Mr. Mahadeva Iyer.

Carried.

Mr. Sesha Iyer proposed that the following be added as sub-section (4) :—

"If upon an enquiry in any case where there is no person so nominated, any question respecting the title to the share or interest of the deceased member arise between or among two or more persons making conflicting claims in respect thereof, the Committee may refer the parties to a civil suit for adjudication of their claims or rights; and subject to such adjudication by a Civil Court, any transfer or payment in any such case by a registered society in accordance with the provisions of this Section shall be valid and effectual."

After considerable discussion, the Council came to the conclusion that the provision suggested might be put in as a proviso to the present sub-section (2). Mr. Subba Iyer moved that sub-sections (2) and (3) be recast as follows :—

"(2) All transfers and payments made by a registered society in accordance with the provisions of sub-section (1) shall be valid and effectual against any demand made upon the society by any other person."

"(3) A registered society may pay all other monies due to the deceased member from the society, to such nominee, heir or legal representative, as the case may be; provided, however, that, if, upon enquiry in any case, where there is no person so nominated, any question respecting the title to such other monies (*i. e.* monies other than the share or interest in the capital) of the deceased member, arise between or among two or more persons making conflicting claims in respect thereof, the Committee shall refer the parties to the Civil Court, and hold the monies in deposit pending the decision of such Court; provided further that, where the payment of such other monies is to a nominee, such payment shall be valid and effectual against any demand made upon the society by any other person."

Section 30.

Mr. Sesha Iyer proposed that the word "may" be substituted for "shall" in line 1.

Seconded by Mr. Mahadeva Iyer.

Carried.

Section 32.

Mr. Krishnan Nair proposed that the words "Government of India or by the" be inserted between the words "the" and "Government" in line 5 of Clause (c).

Seconded by Mr. Mahadeva Iyer.

Carried.

Section 34.

Mr. Krishnan Nair said that, in his opinion, the power to direct the inspection of the affairs of a society should be reserved to the Government, instead of being vested in the Division Peishkar, as provided in the Section. He, therefore, moved that the words "at the direction of Our Government" be substituted for the words "on the request of the Division Peishkar" in lines 3 and 4.

Seconded by Mr. Mahadeva Iyer.

Carried.

Section 38.

Mr. Sesha Iyer proposed that the words "to Our Government" be inserted after the word "order" in line 4 of sub-section (2) and that sub-section (5) be omitted.

Seconded by Mr. Krishnan Nair.

Carried.

Mr. Mahadeva Iyer proposed that, in pursuance of the above amendment, the words "Our Government" be substituted for the words "the appellate authority" in lines 3 and 4 of sub-section (4).

Seconded by Mr. Sesha Iyer.

Carried.

Section 41.

Mr. Sesha Iyer proposed that the words "and such liquidator shall be remunerated in such manner as may be provided for in the rules that may be made by Our Government to carry out the purposes of this Regulation" be added after the word "society" in line 6 of sub-section (1).

Mr. Krishnan Nair said that the assignee in Bankruptcy under the Provincial Insolvency Act was an official not entitled to any remuneration.

After some discussion, the Council resolved that the amendment suggested by Mr. Sesha Iyer was not necessary.

Section 42.

Mr. Krishnan Nair proposed, in conformity with the amendment in regard to the cost of audit made in Section 17, sub-section (1), that the words "and the charges, if any, to be made for such audit" in lines 4 and 5 of Clause (h), sub-section 2, be omitted.

Seconded by Mr. Subba Iyer.

Carried.

Mr. Mahadeva Iyer proposed that sub-section (3) be omitted, as it was undesirable that the Government should delegate their power to make rules to any other authority.

Seconded by Mr. Krishnan Nair.

Carried.

Mr. Subba Iyer then moved that the Bill, as amended by the Council, be read again on a future day of which notice should be given.

Seconded by Mr. Krishnan Nair.

Carried.

THE VILLAGE PANCHAYAT COURTS BILL.

Mr. Subba Iyer, in presenting the report of the Select Committee on the Bill, moved that, as it was late, its consideration be postponed to the next meeting of the Council.

The President suggested that, as the Bill had been pending long before the Council, a special meeting might be held on Friday, the 10th October 1913/24th Kannj 1089, to consider the same.

The suggestion was adopted by the Council.